

SS CORPORATE SECURITIES LIMITED

SURVEILLANCE POLICY

This document lays out the implementation measures for carrying out surveillance of client behaviour through analysing the pattern of trading done by clients, detection of any unusual activity being done by such clients, reporting the same to stock exchanges and taking necessary measures to prevent any kind of fraudulent activity in the market in terms of the regulatory requirements prescribed by SEBI and Market Infrastructure Institutions (MIIs).

The policy is effective with effect from January 31, 2025, pursuant to its adoption at the meeting of Board of Directors held on January 31, 2025. The policy shall be reviewed every year. Next review date of the policy shall be January 31, 2026.

Systems for alert generation:

Client Screening and Due Diligence

While onboarding new clients, focus to be given on -

- Adherence to Know Your Client (KYC) Norms
- Compliance with KYC Registration Agency (KRA)
- Adherence to Anti-Money Laundering (AML) and Prevention of Money Laundering Act (PMLA)

System based alerts shall be generated based on the following parameters

- Transactional alerts based on the criteria/red flag indicators provided by the Exchanges from time to time, carry out review of the same and take the necessary action, wherever required.
- Client / group of clients, as identified by the SS Corporate Securities Limited, accounting for a significant percentage of the total trading activity in a scrip / contract as compared to the market.
- Client / group of clients with new account or clients dealing after a significant time gap, as identified by the SS Corporate Securities Limited, accounting for significant value / percentage of total trading activity in a scrip / contract as compared to the market.
- Client / group of clients dealing frequently in small quantities/minimum market lot in a scrip / contract.
- Disproportionate trading activity vs reported income / Net worth.
- Frequent changes in KYC submitted by clients.

Policy last reviewed on January 31, 2025

- Based on an announcement by a listed company, identify Client / group of clients, having possible direct / indirect connection with a listed company, who have undertaken any suspicious trading activity prior to price sensitive announcement by said listed company.
- Client / group of clients having significant selling concentration, in the scrips, forming part of 'For Information list' or 'Current Watch list'.
- Consistency in profit / loss at client / group of clients' levels, rationale for such trading activities.
- Significant trading activity in scrips by client who has pledged the shares of same scrip
- In case of concerns of trading activity of a client or a group of clients in a scrip, monitoring whether the orders are being placed by respective clients or their authorized representatives and monitoring client's address as per KYC vis-à-vis the dealing office address.
- Trading activities of accounts of relatives of entity to identify any sort of synchronized / coordinated trading.

Thresholds for the alerts shall be decided and reviewed annually by the Principal Officer along with the Compliance Officer.

Alerts shall be monitored and generated on a daily basis, and all the alerts shall be reviewed on a monthly basis.

Internal Controls

Proprietary accounts shall be used for the purpose of carrying out proprietary trades only.

Trading Terminals shall be allotted and used by the employees of SS Corporate Securities Limited, at the locations as reported to the exchange, and the details of the employees using the terminals shall be updated to the exchange as and when required.

Attendance sheet of all the employees shall be maintained.

Letter of Authority to Trade is given only to the Family members in case of individuals, and to Directors / Partners / HUF/ Key Managerial Personnel in case of Non-Individuals.

Any employee of the SS Corporate Securities Limited, upon having knowledge of any fraud, market abuse or suspicious activity shall forthwith inform the same to the Compliance Officer / Principal Officer.

Conflict of Interest

Employees working in surveillance department shall have restricted access on sharing the Information with other departments.

Employees shall be communicated the policy along with the changes, if any annually or when the change in policy is made, whichever is earlier.